



## Impact Policies July, 2009

### Background

The Energy and Mineral Impact Assistance Program's general legislative directive is to provide financial assistance to communities socially and economically impacted by energy and mineral development for purposes of planning, construction and maintenance of public facilities, and for public services.

DOLA's intent in administering this grant and loan program is to promote sustainable community development and increase livability of communities through strategic investments in asset-building activities.

Some investments support provision of services to strengthen community governance, such as support for enhanced electronic records management for assessors' offices or law enforcement agencies, support for community strategic plans or development codes, and similar activities. However, the major portion of funding is for investments in the development of capital assets.

DOLA is reviewing its history of partnering with grant recipients and assessing how to improve the strategic nature and long-term benefit of the capital investments we support.

The following policy guidelines are presented to assist potential applicants in improving chances of success in achieving funding in an increasingly competitive environment. These guidelines represent efforts to improve the strategic nature of investments, as discussed above. The policies also reflect recent changes in the availability of alternative funding sources for community development projects.

### 1. Rolling Stock

Rolling stock (road maintenance equipment, firefighting apparatus, ambulances, public safety vehicles and the like) should be routinely replaced by communities on a schedule based on an approved capital improvements program, vehicle replacement program or similar plan. Generally, these purchases should be budgeted for and financed on an ongoing basis through local revenue sources.

Circumstances in which DOLA may be willing to consider funding equipment are as follows:

- Disaster-related emergencies
- Situations where road maintenance or emergency response capabilities directly related to energy or mineral impact activities require equipment purchases which might otherwise exhaust local financial capability and where local revenue-raising efforts are already strained.



## **2. K-12 School Facilities**

In addition to receiving state financial support through the traditional annual budget appropriation process, school districts are also eligible to apply for grant funds through the Energy and Mineral Impact Assistance Program. While school districts rarely applied for these funds in the past, there has been a significant increase in such applications over the last few years.

School districts have a variety of options to compete for discretionary state funds through a number of programs. Examples of discretionary funding available includes the Governor's Energy Office (GEO) for energy conservation and for the development of renewable energy sources and the BEST program administered through the Colorado Department of Education (CDE) to address capital funding needs for K-12 school facilities. CDE also has funds available for planning. In some cases, GEO and CDE program staff have suggested school district officials also approach DOLA for grant funds to supplement projects supported in part by their programs.

Given the increased demand on limited resources available to support the broad range of local government needs (including school districts) across the state to mitigate energy and mineral impacts, DOLA's policy guidelines regarding funding K-12 facilities will be as follows:

- School districts should approach CDE and GEO for funding, as appropriate, before applying for Energy and Mineral Impact Assistance funds.
- DOLA will give preference to support school facility improvements which create a needed community asset that is made available for broad public use. For example, school buildings often function as community centers for social events, as recreational centers, as community libraries or as service centers for outreach assistance for the elderly or families at-risk. Collaboration with general purpose local governments (municipalities and counties) in the development of these types of projects is strongly encouraged.
- Applications requesting support of capital facilities to be used exclusively for K-12 activities (classrooms, administration buildings and sport complexes) are discouraged.
- Energy and Mineral Impact Program funding for school master plans and other planning and design activities are also discouraged since other sources of funds are available.